

AMENDED IN SENATE APRIL 11, 2012

SENATE BILL

No. 967

Introduced by Senator Yee

(Principal coauthor: Assembly Member Portantino)

~~(Coauthor: Senator)~~ *(Coauthors: Senators Correa and Lieu)*

*(Coauthors: Assembly Members Alejo, Ammiano, V. Manuel Pérez,
and Williams)*

January 13, 2012

An act to add *and repeal* Section 89500.5 to of the Education Code, relating to public postsecondary education.

LEGISLATIVE COUNSEL'S DIGEST

SB 967, as amended, Yee. Public postsecondary education: executive officer compensation.

Existing law establishes the University of California, which is administered by the Regents of the University of California, the California State University, which is administered by the Trustees of the California State University, and the California Community Colleges, which is administered by the Board of Governors of the California Community Colleges, as the 3 segments of public postsecondary education in this state. Existing law authorizes the regents, the trustees, and the board to employ officers and other employees.

This bill would prohibit the trustees from, and request the regents to refrain from, increasing the monetary compensation, as defined, of, or approving a monetary bonus for, any executive officer, as defined, of the university within 2 years of a fiscal year in which the mandatory systemwide fees of the university are increased from the immediately preceding fiscal year, or in which the General Fund appropriation to the university in the annual Budget Act is less than, or equal to, the

General Fund appropriation to the university in the annual Budget Act for the immediately preceding fiscal year. The bill would prohibit the trustees from, and request the regents to refrain from, providing monetary compensation to an incoming executive officer that exceeds 105% of the monetary compensation of the immediately preceding executive officer of the same classification that the incoming executive officer is replacing. *The bill would repeal these provisions on January 1, 2023.*

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 89500.5 is added to the Education Code,
2 to read:
3 89500.5. (a) The trustees shall not increase the monetary
4 compensation of, or approve payment of a monetary bonus to, any
5 executive officer within two years of a fiscal year in which either
6 of the following occur:
7 (1) Mandatory systemwide student fees of the university are
8 increased from the amount of mandatory systemwide student fees
9 charged in the immediately preceding fiscal year.
10 (2) The amount of General Fund moneys appropriated to the
11 California State University in the annual Budget Act is less than,
12 or equal to, the amount of General Fund moneys appropriated to
13 the California State University in the annual Budget Act for the
14 immediately preceding fiscal year.
15 (b) The trustees shall not provide monetary compensation to an
16 incoming executive officer that exceeds 105 percent of the
17 monetary compensation of the immediately preceding executive
18 officer of the same classification that the incoming executive officer
19 is replacing.
20 (c) As used in this section, the following terms have the
21 following meanings:
22 (1) “Executive officer” includes, but is not limited to, the
23 Chancellor of the California State University, a vice chancellor of
24 the university, an executive vice chancellor of the university, the
25 general counsel of the university, the trustees’ secretary, and the
26 president of an individual campus.

1 (2) “Monetary compensation” includes, but is not limited to, a
2 salary, a vehicle allowance, and a housing allowance.

3 (d) Subdivisions (a) and (b) shall apply only to executive officers
4 who enter into or renew a contract for employment with the
5 California State University on or after January 1, 2013.

6 SEC. 2. (a) The Regents of the University of California are
7 requested to not increase the monetary compensation of, or approve
8 payment of a monetary bonus to, any executive officer within two
9 years of a fiscal year in which either of the following occur:

10 (1) Mandatory systemwide student fees of the university are
11 increased from the amount of mandatory systemwide student fees
12 charged in the immediately preceding fiscal year.

13 (2) The amount of General Fund moneys appropriated to the
14 University of California in the annual Budget Act is less than, or
15 equal to, the amount of General Fund moneys appropriated to the
16 University of California in the immediately preceding fiscal year.

17 (b) The regents are requested to not provide monetary
18 compensation to an incoming executive officer that exceeds 105
19 percent of the monetary compensation of the immediately
20 preceding executive officer of the same classification that the
21 incoming executive officer is replacing.

22 (c) As used in this section, the following terms have the
23 following meanings:

24 (1) “Executive officer” includes, but is not limited to, the
25 President of the University of California, the chancellor of an
26 individual campus, the chief executive officer of a university
27 hospital or medical center, a vice president of the university, the
28 treasurer of the university, the assistant treasurer of the university,
29 the general counsel of the university, and the regents’ secretary.

30 (2) “Monetary compensation” includes, but is not limited to, a
31 salary, a vehicle allowance, and a housing allowance.

32 (d) Subdivisions (a) and (b) shall apply only to executive officers
33 who enter into or renew a contract for employment with the
34 University of California on or after January 1, 2013.

35 (e) *This section shall remain in effect only until January 1, 2023,*
36 *and as of that date is repealed, unless a later enacted statute, that*
37 *is enacted before January 1, 2023, deletes or extends that date.*